



0000132323

ORIGINAL

E-00000A-99-0431

RECEIVED

From: Jerry D. Smith
To: DGI Interested Parties
Date: 10/21/99 3:09pm
Subject: DGI Siting, Certification & Permitting Committee Minutes & Agenda

1999 NOV -5 A 9:21

AZ CORP COMMISSION
DOCUMENT CONTROL

(Reply by E-Mail if you desire to be removed from this distribution list)

As a party interested in the ACC's investigation of Distributed Generation and Interconnections you will find the following attached items concerning the DGI Workgroup's Siting, Certification & Permitting Committee:

1. Approved committee meeting minutes for September 9, September 29 and October 7, 1999.
2. Agenda for the October 25 committee meeting.

These items will be filed in ACC Docket Control per:

Docket No. E-00000A-99-0431

General investigation of Distributed Generation and Interconnections for potential retail electric competition rules consideration.

CC: SMO, DIS

Arizona Corporation Commission

DOCKETED

NOV 05 1999

DOCKETED BY	<i>[Signature]</i>
-------------	--------------------

Siting, Certification, and Permitting Committee
APPROVED Meeting Minutes - September 16, 1999

Brian O'Donnell was elected Chairman
Chris Weathers took the minutes

The following individuals were present

<u>Name</u>	<u>Representing</u>	<u>Phone</u>	<u>Email</u>
Art Fregoso	TEP	520-884-3624	afregoso@tusconelectric.com
Barbara Keene	ACC Staff	602-542-0853	bkeene@cc.state.az.us
Brian O'Donnell	DEAA	602-395-4405	brian.odonnell@swgas.com
Bryan Gernet	APS	602-371-6959	
Chris Weathers	APS	602-371-6563	cweather@apsc.com
Chuck Skidmore	City of Scottsdale	480-312-7606	cskidmore@ci.scottsdale.az.us
Doug Nelson	DEAA	602-395-1612	dcn@netwrx.net
George Rash	New Energy Southwest	602-265-8558	grash@newenergy.com
Greg Czaplewski	Cummins Southwest	602-257-5981	gczaplew@notesbridge.cummins.com
James Barry	TEP	520-745-3490	
Larry Holly	Southwest Gas Corp	602-395-4082	larry.holly@swgas.com
Randy Despain	City of Phoenix	602-261-8504	
Sharon Madden	APS	602-250-2027	smadden@apsc.com
Tom Friddle	APS	602-371-7176	h36143@apsc.com
Tony Turturro	ICG	602-532-9606	

The August 30 meeting minutes were approved.

The group discussed training and certification of individuals installing the equipment. Jim Barry, who is representing IBEW Local 1116, presented a white paper discussing the need for certified and licensed contractors and the need for minimum hours of training. The group had several questions. In particular, the question of why additional certification would be required for users was asked since several cogeneration plants already exist, apparently without any special certification. Jim indicated that he was not referring to new certification requirements rather, only those requirements specified by existing federal or state laws. Jim agreed to try & bring an OSHA representative to the next meeting for a 15 minute overview of OSHA regulations and their potential impact on workers.

The group spent time discussing what entities were responsible for regulations. At the next meeting Brian O'Donnell volunteered to develop a list of entities who would be responsible for various certification and permitting functions. Brian will look at air quality, fuel supply, noise and safety so that the group can determine if any additional ACC involvement is required.

The question came up as to whether a small generator, for example less than 10 kW, could be exempt from certification and permitting. The group, in general, felt that residential units, 10 kW or smaller would not require certification and permitting, other than a normal building permit required by the applicable city or jurisdiction. APS felt that a utility review was still needed.

At the next meeting, Bryan Gernet offered to bring in the classification of generator sizes that APS, SRP, and TEP agreed to use for the purpose of describing levels of protection. The group will also review the State of Texas recommendations on sizing.

The question of pre-certification of distributed generation system packages was discussed. All representatives believe that an optional pre-certification program will benefit everyone. Manufacturers of larger generation equipment felt that pre-certification should not be mandatory since many larger components are not always certified by testing agencies. For example, only smaller generators are certified by UL.

APS indicated that their position is that Public and Worker safety concerns required each generator project be reviewed by the local distribution company on a site specific basis.

The issue of "sale for resale" of electricity was discussed. APS felt that generally, one customer at his home site who sold to another user, would be covered by utility "sale for resale" regulations. However, it appears a company such as a grocery chain could produce electricity at on site and sell it to its other sites state wide. No firm conclusions were reached.

There was then some discussion of what we were trying to accomplish in the work shop. There seemed to be consensus that the purpose of the workshop was to determine what functions, if any, the ACC should regulate in the siting process. For example the ACC does not regulate fuel. There was consensus that the fuel regulation topic belonged in the Siting, Certification, and Permitting workshop, but that our recommendation would be that this was not an area the ACC should regulate.

At the next meeting, Bryan Gernet indicated he would bring in an example of an application form for use with distributed(or cogeneration) systems.

The group then went through the straw organization proposal and agreed with it, with the exception that we added, under the Safety heading, Standardized Safety Requirement Conforming to NEC/OSHA, etc.

The group agreed to meet again on Sept 29, at 10:00am, at 1101 W Washington. This is the large red building on the South side of the street, across from the ACC.

Filename: mnit0916.doc
Directory: C:\temp
Template: H:\MSOFFICE\TEMPLATE\NORMAL.DOT
Title: Siting, Certification, and Permitting Committee
Subject:
Author: cw
Keywords:
Comments:
Creation Date: 10/20/99 15:51
Change Number: 3
Last Saved On: 10/20/99 16:13
Last Saved By: bro1
Total Editing Time: 22 Minutes
Last Printed On: 10/21/99 15:10
As of Last Complete Printing
Number of Pages: 2
Number of Words: 709 (approx.)
Number of Characters: 4,042 (approx.)

Distributed Generation & Interconnection Workgroup

Siting, Certification, and Permitting Committee

APPROVED Meeting Minutes - September 29, 1999

The following individuals were present

<u>Name</u>	<u>Representing</u>	<u>Phone</u>	<u>Email</u>
Art Fregoso	TEP	520-884-3624	afregoso@tusconelectric.com
Barbara Keene	ACC Staff	602-542-0853	bkeene@cc.state.az.us
Bill Murphy	City of Phoenix	602-262-7897	bmurphy@ci.phoenix.az.us
Brian O'Donnell	DEAA	602-395-4405	brian.odonnell@swgas.com
Bryan Gernet	APS	602-371-6959	h37614@apsc.com
Chris Weathers	APS	602-371-6563	cweather@apsc.com
Chuck Skidmore	City of Scottsdale	480-312-7606	cskidmore@ci.scottsdale.az.us
Doug Mann			drmann@ewst.com
Ernie Miller	OSHA	602-542-1690	ernest.miller@osha.gov
Greg Czaplewski	Cummins Southwest	602-257-5981	gczaplew@notesbridge.cummins.com
James Barry	TEP	520-745-3490	Jbarry@tusconelectric.com
Jerry Smith	ACC Staff	602-542-7271	jsmith@cc.state.az.us
Joe Gates	OSHA	602-542-1641	joe.gates@osha.gov
Larry Holly	Southwest Gas Corp	602-395-4082	larry.holly@swgas.com
Linda Buczynski	City of Tucson	602-791-5111	lbuczyn1@ci.tucson.az.us
Matt Puffer			mannfred@earthlink.net
Ray Williamson	ACC Staff	602-542-0828	rwilliamson@cc.state.az.us
Scott Swanson	APS	602-250-2096	z93536@apsc.com
Tony Turturro	ICG	602-532-9606	icg.inc@ix.netcom.com

Chris Weathers took the 9/29/99 minutes

The September 16th Meeting Minutes were reviewed and corrected.

Joe Gates (OSHA Safety Training Officer) and Ernie Miller (Senior Compliance Officer) gave a presentation on OSHA requirements as they relate to generation. In Arizona they enforce State of Arizona law which is the same as Federal law. OSHA focuses on worker safety. They are not involved in residential compliance; except in cases where employees are involved. In some instances training may consist of manufacturer supplied training. A "qualified contractor" is needed to meet installation requirements. OSHA Standard 1910.269 covers power generation, transmission, and distribution. It can be viewed at <http://www.osha.gov>.

Brian O'Donnell/Tony Turturro gave a presentation regarding thresholds for siting. For example if equipment emits more than 50 tons of criteria pollutants, a Title Five permit is required. For air quality, fuel supply, noise and safety no additional actions or regulation are required by the ACC as rules already exist by other agencies or the ACC. However, applicants need to be

informed that these issues exist, when preparing to install equipment. Thus we need to address the process for distributed generation installation.

Jerry Smith indicated that large power plants would have to be reviewed by the State Power Plant Siting Committee.

Individual Arizona Cities, Maricopa County, State of Arizona and the U.S. EPA already have jurisdiction for siting and permitting issues. No additional action is required by the ACC. Utility safety issues will be covered by the interconnection committee.

The process and jurisdiction for certification needs to be addressed. Larry Holly, Chris Weathers, Greg Czapslewski and Matt Puffer will try and address this item at the next meeting. Bryan Gernet reiterated the point that each installation needs to be looked at separately. Matt Puffer indicated that the Utility has no part in equipment certification.

Regarding the effects of certain items on Siting Threshold, the following was agreed upon: Types of unit, location of project, intended operational use and residential vs commercial applications could all impact air quality, fuel supply, noise & safety. But there is no need for additional ACC jurisdiction as other authorities already exercise authority. Unit size has been established for protection issues by the Interconnection Workshop.

Jerry Smith indicated he thought the Siting Certification, and Permitting Committee should concentrate on the process, whereas the other Distributed Generation workshops would concentrate on the technical details.

The Distributed Power Coalition of America could address certification on a national basis.

Bryan Gernet gave a presentation on the application form being reviewed by the Interconnection Workshop. Brian O'Donnell, Chris Weathers and Tony Turturro will try and review the application process and present their findings at the next meeting.

Jerry Smith will give an overview of the DSAR process at the next meeting

The meeting on October 7th, at 10:00 am will be at the Pipeline & Safety Conference rooms. All other meetings will be at the upstairs conference room

Filename: mnit0929.doc
Directory: C:\temp
Template: H:\MSOFFICE\TEMPLATE\NORMAL.DOT
Title: Siting, Certification, and Permitting Committee
Subject:
Author: cw
Keywords:
Comments:
Creation Date: 10/20/99 16:21
Change Number: 3
Last Saved On: 10/20/99 16:22
Last Saved By: bro1
Total Editing Time: 2 Minutes
Last Printed On: 10/21/99 15:10
As of Last Complete Printing
Number of Pages: 2
Number of Words: 657 (approx.)
Number of Characters: 3,746 (approx.)

Distributed Generation & Interconnection Workgroup

Siting, Certification and Permitting Committee
Approved Meeting Minutes – October 7, 1999

The following individuals were present

<u>Name</u>	<u>Representing</u>	<u>Phone</u>	<u>E mail</u>
Jana Brandt	SRP	602-236-5028	jkbrandt@srpnet.com
Anne Cobb	TRICO	520-744-2944	acobb@trico.org
Randy Despain	City of Phoenix	602-261-8504	rdespain@ci.phoenix.az.us
Art Fregoso	Tucson Electric	520-884-3624	afregoso@tucsonelectric.com
Larry Holly	SW Gas	602-395-4082	larry.holly@swgas.com
Barbara Keene	ACC	602-542-0853	bkeene@cc.state.az.us
Sharon Madden	APS	602-250-2027	smadden@apsc.com
Brian O'Donnell	DEAA	602-395-4058	brian.odonnell@swgas.com
Matt Puffer	Engine	818-353-3617	mannfred@earthlink.net
George Rash	New Energy	602-265-8558	grash@newenergy.com
Chris Weathers	APS	602-371-6563	cweather@apsc.com
Ray Williamson	ACC	602-542-0828	rwilliamson@cc.state.az.us

The September 29th meeting minutes were approved with the comment that Art Fegosos' name should be changed to Art Fregoso.

Chris Weathers gave a presentation and handout on a proposed application process for distributed generation. The following was agreed upon:

1. A sufficiency review needs to be performed by the wires company. The wires company should turn this around in 10 working days. This review will tell the applicant if information is missing from the application.
2. The wires company should review an application within 30 calendar days. The sufficiency review will be a part of the 30 calendar days. If documentation is found missing, this stops the clock.
3. Resubmittals to obtain comments should be performed by the wires company in 5 working days.
4. Currently, APS indicates there will be no additional cost to the applicant for submitting an application. But if the wires company handled many applications with time constraints, there may have to be a charge for the service. If wheeling onto the distribution system is proposed, there will be a cost for the engineering study required by the wires company.
5. The ACC staff indicated that there would not be fines for failure of the wires company to review applications in a timely fashion. But if they saw a pattern of complaints, they would ask for an explanation.
6. The wires company will interface with the ACC to keep the ACC informed of all distributed generation projects. The means to accomplish this needs to be worked out.

Chris Weathers(cont)

7. The wires company will handle the mapping functions for DG projects installed within their service territory. The ACC will be given a copy of the map for access by the public.
8. At the time an application is submitted, the wires company will give the applicant a reference sheet, listing additional agencies (e.g., county, state, municipalities, U.S. EPA, etc.) that may have additional requirements that the applicant must meet (e.g., air quality, noise, fuel requirements, safety, siting and permitting). The ACC will keep the list updated and available for the public. The ACC web site may be used for that purpose.

The following items were also discussed:

1. The interconnections committee needs to address the item as to whether 10 kW and smaller distributed generation projects need to file an application with the wires company. Chris Weathers re-iterated the APS position that all interconnections need to be approved by the wires company. The use of transfer switches was also discussed.
2. Sharon Madden will check on the appeals process within APS for the case where an applicant does not agree on the application requirements given by the wires company. The use of a 3rd party to review requirements was discussed; but no conclusion was reached.
3. The use of the yellow tag by the Utility lineman was discussed. It appears that a distributed generation project would follow the standard practices already in place.

The next meeting of the committee will be October 19th at 10:00 – 12 noon at the ACC. Items to be presented will be the DSAR process by Jerry Smith and the Process & Jurisdiction for Certification by Larry Holly & his subcommittee. If time permits we will also begin preliminary discussions of fuel preference policy (solar, wind, etc.) and delivery of hydrogen as a by-product of fuel cell applications.

Filename: mnit1007.doc
Directory: C:\temp
Template: H:\MSOFFICE\TEMPLATE\NORMAL.DOT
Title: Distributed Generation & Interconnection Workgroup
Subject:
Author: bro1
Keywords:
Comments:
Creation Date: 10/20/99 16:33
Change Number: 3
Last Saved On: 10/20/99 16:37
Last Saved By: bro1
Total Editing Time: 5 Minutes
Last Printed On: 10/21/99 15:11
As of Last Complete Printing
Number of Pages: 2
Number of Words: 713 (approx.)
Number of Characters: 4,068 (approx.)

**ACC Special Open Meeting:
Distributed Generation & Interconnections Workgroup
Siting, Certification and Permitting Committee**

Date: October 25, 1999

Time: 1:00 - 3:00 PM

Location: Hearing Rms 1 & 2
1200 W. Washington
Phoenix, AZ 85007

Purpose: Continue investigation for siting, certification and permitting of distributed generation.

AGENDA

1. Approval of October 19, 1999 draft minutes
2. Is a Fuel Preference Policy needed (Gas, Solar, Wind, H2, etc.) - Arizona Department of Commerce Energy Office (Amanda Ormond)
3. Discussion of delivery of H2 as a by-product of fuel cell applications (Amanda Ormond)
4. APS appeals policy for distributed generation requirements
5. Distributed generation certification
6. Application process for distributed generation - Bryan Gernet(APS)

Filename: scp1025a.doc
Directory: C:\temp
Template: H:\MSOFFICE\TEMPLATE\NORMAL.DOT
Title:
Subject:
Author: Jerry D. Smith
Keywords:
Comments:
Creation Date: 10/21/99 14:02
Change Number: 3
Last Saved On: 10/21/99 14:08
Last Saved By: Jerry D. Smith
Total Editing Time: 6 Minutes
Last Printed On: 10/21/99 15:11
As of Last Complete Printing
Number of Pages: 1
Number of Words: 113 (approx.)
Number of Characters: 649 (approx.)